GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:624
ANSWERED ON:18.07.2002
LOSSES IN NON-COMPLETION OF PROJECTS
JAI PRAKASH

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether the Government are aware that a number of Public Sector Undertakings have caused the loss of thousand of crore of rupees due to non-completion of a number of projects;

(b) if so, the details thereof;

(c) whether the Government have identified such projects of the public enterprises; and

(d) if so, the steps being taken by the Government to tackle the situation?

Answer

MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA)

(a) Yes, Sir.

(b) & (c) As on 31.12.2001, the latest period for which information is available, there were 458 projects costing Rs20 crore and above in the central sector. Of these, 208 projects have reported cost overrun of 70.3% and 154 projects have reported time overrun, ranging from 1 to 204 months, with respect to the originally approved cost and schedule. The original cost of these 458 projects was Rs1,64,947 crore and the now anticipated cost is Rs2,04261 crore thus showing an overall cost overrun with respect to the original estimates of 23.8%. The detailed status of the implementation of projects is given in the Annual Report of the Ministry of Statistics and Programme Implementation, which is a published document.

(d) The steps being taken by the Government vary from project to project and time to time to tackle the situation. However, the general measures taken by the Government are monthly and quarterly review at appropriate levels, inter-ministerial coordination for resolving problems of inter-ministerial nature, making available matching funds on yearly basis based on updated costs to complete the projects, etc.